



WEEKLY REPORT

State Senator Gary Nodler
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ADDITIONAL SCHOOL FUNDING FOR EDUCATION AND TAX RELIEF FOR SENIOR CITIZENS ARE AMONG SUCCESSSES OF LEGISLATIVE SESSION

Additional money for education, tort reform and tax relief for senior citizens are among the successes of the 2004 Legislative session thus far.

House and Senate members have been meeting all week to iron out differences in the Fiscal Year 2005 Budget, and I am proud to report that Missouri Southern State University and Crowder College will each have extra funds.

Funding for elementary and secondary education will get a boost next fiscal year, with a total of \$2.18 billion.

Missouri Southern will receive \$20.8 million next year, an increase of \$488,000. The university will receive an additional \$250,000 in one-time money for equipment in the arts and music department.

Crowder College will receive an additional \$101,200 over last year, with their budget appropriation totaling \$4.3 million. In addition, Crowder will receive \$200,000 in one-time money to go toward its alternative energy program. This money is expected to be the seed money for an alternative energy building.

Crowder's alternative energy program is allowing Missouri to take the lead in the development of alternative energy.

The Missouri Constitution requires that the General Assembly approve the budget by May 7.

In other business, as expected Gov. Bob Holden vetoed tort reform legislation that would place new limitations on medical malpractice awards and other injury lawsuits.

This was a purely political move on the governor's part.

Lawmakers have already begun to gather support to attempt to override the veto.

Another bill that has been passed by the Legislature and sent to the governor's desk is the Homestead Preservation Act, which provides long-overdue property tax relief to Missouri's senior citizens.

Senate Bill 730 is designed to assist seniors with incomes too high for the state's "circuit breaker" property tax credit program, seniors with an income of up to \$70,000 will be eligible for the Homestead Preservation tax credit.

Currently under statewide reassessment, the values of homes are supposed to be recalculated every two years. Because under state law reassessment is not intended to create an overall increase in taxes, tax levies are to be rolled back. At the same time, the taxes on individual property can increase – sometimes dramatically – if the reassessed value of the property is greater than the average increase of all properties in the political subdivision.

Under SB 730, a senior citizen or disabled person's property tax increase would be capped at no more than 5 percent.

Homeowners would pay their property taxes as assessed in the fall, but would then receive a tax credit for any increase that would exceed 5 percent in a reassessment year or 2 ½ percent in a non-reassessment year. The credit for an excessive increase will be applied against the homeowner's property tax bill.

An appropriation by the legislature is required to fund the credit.

With only two weeks remaining in the legislative session, I'm certain I will be able to report the passage of other reform measures.

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